UNAUDITED RESULT For the Period Ended 31 March 2014

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS.

1(a)(i) A consolidated income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial period.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group		
	1Q14 RMB'000	1Q13 RMB'000	%Change +/(-)
Revenue	**92,888**	112,547	-17.5%
Cost of sales	**(88,409)**	(108,416)	-18.5%
Gross profit	**4,479**	4,131	+8.4%
Other gains/(losses), net	**651**	(490)	n.m.
Expenses			
-Selling and distribution	**(2,277)**	(2,160)	+5.4%
-Administrative	**(5,656)**	(8,632)	-34.5%
-Finance	**(2,565)**	(2,300)	+11.5%
Loss before income tax	**(5,368)**	(9,451)	-43.2%
Income tax expenses	**(879)**	(4,490)	-80.4%
Net loss	**(6,247)**	(13,941)	-55.2%
Other comprehensive income, net of tax:			
Item that may be reclassified subsequently to profit or loss			
- Currency translation gains arising from consolidation	**178**	53	+235.8%
Total comprehensive loss	**(6,069)**	(13,888)	n.m.
Net loss attributable to			
-Equity holders of the Company	**(6,572)**	(13,888)	-52.7%
-Non-controlling interests	**325**	-	n.m.
	(6,247)	(13,888)	-55.0%
Total comprehensive loss attributable to			
-Equity holders of the Company	**(6,394)**	(13,888)	-54.0%
-Non-controlling interests	**325**	-	n.m.
	(6,069)	(13,888)	-56.3%

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial period:-

	Group		
	1Q14 RMB'000	1Q13 RMB'000	%Change +/(-)
(Expense)/Income			
Depreciation of property, plant and equipment	**(1,538)**	(1,588)	-3.1%
Amortisation of intangible assets	**(129)**	(145)	-11.0%
Interest income	**676**	147	n.m.
Interest expense	**(2,565)**	(2,300)	+11.5%
Foreign exchange losses, net	**(600)**	(1,026)	-41.5%
Government grants	**1,135**	735	+54.4%
Fair value losses on derivative financial instruments	**(566)**	(440)	-28.6%

"n.m." denotes "not meaningful"

1(b)(i) A balance sheet (for the issuer and the Group), together with a comparative statement as at the end of the immediately preceding financial period

	Group		Company	
ASSETS	**As at 31 Mar 2014 RMB'000**	As at 31 Dec 2013 RMB'000	**As at 31 Mar 2014 RMB'000**	As at 31 Dec 2013 RMB'000
Current assets				
Cash and cash equivalents	**102,012**	118,584	**537**	48
Trade and other receivables	**147,210**	159,420	**6,992**	8,919
Inventories	**56,854**	58,695	**-**	-
Other current assets	**3,051**	1,998	**209**	129
Derivative financial assets	**274**	817	**-**	-
	309,401	339,514	**7,738**	9,096
Non-current assets				
Investments in subsidiaries	**-**	-	**47,827**	47,827
Property, plant and equipment	**49,168**	49,670	**30**	38
Intangible assets	**28,812**	28,941	**-**	-
Deposit for machinery and equipment	**1,572**	1,575	**-**	-
	79,552	80,186	**47,857**	47,865
Total assets	**388,953**	419,700	**55,595**	56,961
LIABILITIES				
Current liabilities				
Trade and other payables	**90,705**	102,244	**14,417**	14,533
Borrowings	**255,656**	266,979	**-**	-
Current income tax liabilities	**2,422**	2,161	**-**	-
Provision for restructuring	**4,276**	6,376	**512**	512
Derivative financial liabilities	**23**	-	**-**	-
Total liabilities	**353,082**	377,760	**14,929**	15,045
NET ASSETS	**35,871**	41,940	**40,666**	41,916
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	**104,766**	104,766	**104,766**	104,766
Restructuring reserve	**114,040**	114,040	**114,040**	114,040
Currency translation reserve	**335**	157	**-**	-
Warrant reserve	**727**	727	**727**	727
Performance shares	**886**	886	**886**	886
Shares to be issued	**3,349**	3,349	**3,349**	3,349
Accumulated losses	**(188,852)**	(182,280)	**(183,102)**	(181,852)
	35,251	41,645	**40,666**	41,916
Non-controlling interests	**620**	295	**-**	-
Total equity	**35,871**	41,940	**40,666**	41,916

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities

Amount repayable within one year

	As at 31 Mar 2014		As at 31 Dec 2013	
	Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
Bank borrowings	**85,600**	**-**	85,600	-
Bills payable	**55,874**	**-**	57,285	-
Trade receivables factoring	**114,182**	**-**	124,094	-
	255,656	**-**	266,979	-

Details of any collateral

- Bank borrowings of the Group are secured over leasehold buildings and workshops and land-use right of the Group and joint and several guarantees from a shareholder and its related parties.
- Bills payable of the Group are secured by certain short-term bank deposits of the Group and corporate guarantee from certain subsidiaries.
- Trade receivables factoring of the Group are secured by certain trade receivables and joint and several guarantees from a shareholder and its related parties.

1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial period

	Group	
	1Q14 RMB'000	(Restated) 1Q13 RMB'000
Cash flows from operating activities		
Net loss	**(6,247)**	(13,941)
Adjustments for:		
-Income tax expense	**879**	4,490
-Amortisation and depreciation	**1,667**	1,733
-Interest expense	**2,565**	2,300
-Interest income	**(676)**	(147)
-Fair value loss on derivative financial instruments	**566**	440
-Unrealised currency translation gains	**606**	305
Operating losses before changes in working capital	**(640)**	(4,820)
Change in working capital:		
-Trade and other receivables *	**48,620**	44,229
-Inventories	**1,841**	(3,739)
-Other current assets	**(1,053)**	(96)
-Trade and other payables	**(11,539)**	(1,202)
- Provision for restructuring	**(2,100)**	-
Cash generated from operations	**35,129**	34,372
Interest received	**676**	147
Income tax paid	**(618)**	(3,287)
Net cash provided by operating activities	**35,187**	31,232
Cash flows from investing activites		
Additions to property, plant and equipment	**(1,031)**	(1,014)
Deposit for machinery and equipment	**-**	(298)
Net cash used in investing activities	**(1,031)**	(1,312)
Cash flows from financing activities		
Proceeds from borrowings	**93,596**	112,170
Repayment of borrowings *	**(141,328)**	(128,542)
Interest paid	**(2,565)**	(2,300)
Decrease/(increase) in short-term bank deposits pledged	**10,498**	(14,303)
Net cash used in financing activities	**(39,799)**	(32,975)
Net decrease in cash and cash equivalents	**(5,643)**	(3,055)
Cash and cash equivalents at beginning of financial period	**54,098**	54,290
Effects on currency translation on cash and cash equivalents	**(431)**	(250)
Cash and cash equivalents at end of financial period	**48,024**	50,985

* Certain comparatives have been reclassified to be consistent with current period's presentation

1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial period (continued)

Note:

For the purpose of consolidated cash flow statement, cash and cash equivalents comprise the following :-

	Group	
	1Q14	1Q13
	RMB'000	RMB'000
Cash and bank balances	**102,012**	**92,312**
Less: Short-term bank deposits pledged	**(53,988)**	**(41,327)**
	48,024	**50,985**

1(d)(i) A statement (for the issuer and the Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period

(RMB'000)	Attributable to equity holders of the Company								Non-controlling interest	Total Equity
	Share Capital	Shares to be issued	Restructuring Reserve	Share-Based Payment Reserve	Warrant Reserve	Currency Translation Reserve	Retained Profits/ (Accumulated Losses)	Total		
Group										
At 1 January 2014	104,766	3,349	114,040	886	727	157	(182,280)	41,645	295	41,940
Total comprehensive loss for the financial period	-	-	-	-	-	178	(6,572)	(6,394)	325	(6,069)
At **31 March 2014**	104,766	3,349	114,040	886	727	335	(188,852)	(35,251)	620	35,871
At 1 January 2013	104,766	-	114,040	-	-	(15)	58,926	277,717	-	277,717
Total comprehensive **loss** for the financial period	-	-	-	-	-	53	(13,941)	(13,888)	-	(13,888)
At **31 March 2013**	104,766	-	114,040	-	-	38	44,985	263,829	-	263,829
Company										
At 1 January 2014	104,766	3,349	114,040	886	727	-	(181,852)	41,916	-	41,916
Total comprehensive **loss** for the financial period	-	-	-	-	-	-	(1,250)	(1,250)	-	(1,250)
At **31 March 2014**	104,766	3,349	114,040	886	727	-	(183,102)	(43,166)	-	(43,166)
At 1 January 2013	104,766	-	114,040	-	-	-	(6,095)	212,711	-	212,711
Total comprehensive **loss** for the financial period	-	-	-	-	-	-	(1,405)	(1,405)		(1,405)
At **31 March 2013**	104,766	-	114,040	-	-	-	(7,500)	211,306	-	211,306

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial period

Warrants

The Company had on 20 May 2013 announced its entry into of a Subscription Agreement with SAPO Investment Pte Ltd (Subscriber). Pursuant to the Subscription Agreement, the Company will issue 30,000,000 unlisted and non-transferable warrants ("Warrants") to the Subscriber for a subscription price of S$150,000.

The Warrants were issued at an issue price of S$ 0.005 each with each Warrant carrying the right to subscribe for one new share of the Company upon exercise of the Warrants by the Subscriber at the exercise price of S$ 0.075 for each new share. As at 31 March 2014, no warrant was exercised and converted into ordinary share of the Company. The Warrants will expire on 18 July 2016.

	Group and Company	
	As at 31 March 2014	As at 31 December 2013
	(No. of warrants outstanding)	
Beginning of financial period/year	**30,000,000**	-
Issuance of warrants	-	30,000,000
End of financial period/year	**30,000,000**	30,000,000

Great Group Performance Share Scheme Adopted on 18 June 2009

Pursuant to the above scheme, the Company had on 5th June 2013, granted 8,700,000 shares awards to Non-Executives Directors (including independent Directors) and selected employees subject to the meeting of certain performance targets.

There were no changes in the Company's share capital since the end of the previous period/year reported on and there were no outstanding convertibles or treasury shares held as at 31 March 2014.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

	Group and Company	
	As at 31 March 2014	As at 31 December 2013
Number of issued shares excluding treasury shares	**265,000,000**	265,000,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period report on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which standard and practice.

The figures in this announcement have not been audited or reviewed by the Group's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Save as disclosed in paragraph 5 below, the Group had consistently applied the same accounting policies and methods of computation in the Group's financial statement for the first quarter as those applied for the most recently audited consolidated financial statements for the financial year ended 31 December 2013.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

In the current financial period, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual period beginning on or after 1 January 2014. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

- FRS 27 Separate Financial Statements (effective for annual periods beginning on or after 1 January 2014)
- FRS 28 Investments in Associates and Joint Ventures (effective for annual periods beginning on or after 1 January 2014)
- Amendments to FRS 32 Financial Instruments: Offsetting of Financial Liabilities and Assets (effective for annual periods beginning on or after 1 January 2014)
- Amendments to FRS 36 Recoverable Amount Disclosures for Non-Financial Assets (effective for annual period beginning on or after 1 January 2014)
- FRS 110 Consolidated Financial Statements (effective for annual periods beginning on or after 1 July 2014)
- FRS 111 Joint Arrangements (effective for annual periods beginning on or after 1 January 2014)
- FRS 112 Disclosure of Interests in Other Entities (effective for annual periods beginning on or after 1 January 2014)
- Amendments to FRS 110, FRS 111, FRS 112, FRS 27 (2011) and FRS 28 (2011): Mandatory Effective Date (effective for annual periods beginning on or after 1 January 2014)
- Amendments to FRS 110, FRS 111, FRS 112: Transition Guidance (effective for annual periods beginning on or after 1 January 2014)
- Amendments to FRS 110, FRS 112 and FRS 27: Investment Entities (effective for annual period beginning on or after 1 January 2014)

The adoption of the above did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group	
	First Quarter ended 31 March	
	2014	2013
	RMB Cents	RMB Cents
Losses per Share (Basic)		
Based on the weighted average number of ordinary shares in issue	**(2.36)**	(5.26)
Number of shares		
Weighted average number of issued ordinary shares	**265,000,000**	265,000,000

	Group	
	First Quarter ended 31 March	
	2014	2013
	RMB Cents	RMB Cents
Losses per Share (Diluted)		
Based on the weighted average number of ordinary shares in issue	**(2.36)***	(5.26)
Number of shares		
Weighted average number of issued ordinary shares	**281,700,000**	265,000,000

Basic losses per share is computed by dividing the loss attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding at the end of the respective financial period.

* As the Company incurred net loss for the first quarter ended 31 March 2014, the dilutive potential shares from outstanding warrants, shares to be issued and performance shares are anti-dilutive and no change is made to the diluted losses per share.

There was no dilutive instruments in issue for the first quarter ended 31 March 2013.

7. Net assets value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial period

	Group		Company	
	As at 31 March 2014	As at 31 December 2013	**As at 31 March 2014**	As at 31 December 2013
	RMB Cents	RMB Cents	**RMB Cents**	RMB Cents
Net assets value per ordinary share	**13.54**	15.83	**15.35**	15.82
Number of issued ordinary shares as at end of the financial period/year	**265,000,000**	265,000,000	**265,000,000**	265,000,000

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must include a discussion of the following:-

a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period/year reported on, including (where applicable) seasonal or cyclical factors; and

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period/year reported on.

Commentary on Financial Results

Revenue

The breakdown of the Group's revenue by business segments is as set out below:

In RMB ' 000	Revenue			Sales Volume			Average Selling Price		
	1Q14	1Q13	% Change +/(-)	**1Q14**	1Q13	% Change +/(-)	**1Q14**	1Q13	% Change +/(-)
				PC'000	PC' 000		RMB/PC	RMB/PC	
Contract manufacturing*	**83,680**	112,547	-25.6%	**11,088**	14,459	-23.3%	**7.55**	7.78	-3.0%
Brands Solutions	**9,208**	-	n.m.	**-**	-	n.m.	**-**	-	n.m.
Total	**92,888**	112,547	-17.5%	**11,088**	14,459	-23.3%			

* The contract manufacturing business segment includes the results of GRAT.UNIC.

The Group's revenue for the first quarter ended 31 March 2014 ("1Q14") decreased by RMB19.66 million or 17.5% to RMB92.89 million as compared to RMB112.55 million for the first quarter ended 31 March 2013 ("1Q13"). This was mainly due to reduction in sales volume and lower average selling price of the contract manufacturing business segment.

The Group's revenue analysed by geographical areas is as follows:

	1Q14	**1Q13**	**%Change**
	RMB'000	RMB'000	+/(-)
Asia	**15,015**	24,413	-38.5%
Europe	**58,358**	52,440	+11.3%
America	**16,034**	34,791	-53.9%
Other	**3,481**	903	n.m.
Total	**92,888**	112,547	-17.5%

Gross profit

The Group's gross profit by business segments is as follows:

	Gross Profit		
	1Q14 RMB'000	1Q13 RMB'000	%Change +/(-)
Contract manufacturing business *	**3,603**	4,131	-12.8%
Brands solutions business	**876**	-	n.m.
Total	**4,479**	4,131	+8.4%
Gross Profit Margin	**4.8%**	3.7%	

* The contract manufacturing business segment includes the results of GRAT.UNIC.

The Group's gross profit increased by 8.4% from RMB4.13 million in 1Q13 to RMB4.48 million in 1Q14. The increase in gross profit is derived from the Brands solutions business segment which is contributed by a subsidiary, Sinex Solutions Limited, acquired by the Group on 31 December 2013.

Other gains/(losses), net

Other gains/(losses) comprise government grant, foreign exchange gains/(losses) and fair value gain/(loss) on derivative financial instruments.

The Group reported net other gains of RMB0.65 million in 1Q14 as compared to net other losses of RMB0.49 million in 1Q13. This is mainly due to higher government grant received as well as lower foreign exchange losses.

	Other gains/(losses), net		
	1Q14 RMB'000	1Q13 RMB'000	%Change +/(-)
Interest income	**676**	147	n.m.
Government grants	**1,135**	735	+54.4%
Fair value loss on derivative financial instruments	**(566)**	(440)	-28.6%
Foreign exchange (losses), net	**(600)**	(1,026)	-41.5%
Other	**6**	94	-93.6%
Total	**651**	(490)	n.m.

Selling and distribution expenses

Selling and distribution expenses increased slightly by RMB0.12 million from RMB2.16 million in 1Q13 to RMB2.28 million in 1Q14. The increase is mainly due to expenses incurred for the new Brands Solutions Business Segment.

Administrative expenses

Administrative expenses decreased by RMB2.98 million from RMB8.63 million in 1Q13 to RMB5.66 million in 1Q14. The decrease is mainly due to reduction in training expenses and lower headcount as part of our restructuring exercise.

Finance expenses

Finance expenses in 1Q14 of RMB 2.57 million were RMB 0.27 million marginally higher than that in 1Q13 of RMB2.30 million as the Group has higher outstanding borrowings during 1Q14 than 1Q13.

Income tax expense

Income tax expenses decreased by RMB3.61 million from RMB4.49 million in 1Q13 to RMB0.88 million in 1Q14. The Group has recognised RMB2.72 million of under-provision of current income tax expense during 1Q13 and no under-provision of current income tax expenses is recognised during 1Q14.

Commentary on Financial Position

Current assets

Cash and cash equivalents decreased by RMB16.57 million from RMB118.58 million as at 31 December 2013 to RMB102.01 million as at 31 March 2014. The decrease in cash and cash equivalents was mainly due to settlement of trade and other payables, utilisation of provision for restructuring and repayment of bank borrowings.

Trade and other receivables decreased marginally by RMB12.21 million or 7.66% to RMB 147.21 million as at 31 March 2014 from RMB159.42 million as at 31 December 2013.

	31 Mar 2014	31 Dec 2013	% Change
	RMB'000	RMB'000	+/ (-)
Trade receivables	**169,590**	180,988	-6.3%
Less: Allowance for impairment of trade receivables	**(136,905)**	(136,905)	-
	32,685	44,083	-25.9%
Advances to suppliers	**98,020**	99,103	-1.1%
Less: Allowance for impairment of advances to suppliers	**(3,568)**	(3,568)	-
	127,137	139,618	-8.9%
Other receivables	**5,495**	4,490	+22.4%
Value added tax receivables	**14,578**	15,312	-4.8%
Total	**147,210**	159,420	-7.7%

The decrease in advances to suppliers was mainly due to utilisation of part of the advances for delivery and receipt of raw materials during 1Q14 and refund of advances from certain suppliers. The increase in other receivables was mainly due to higher refundable export tax which increased from RMB2.25 million as at 31 December 2013 to RMB3.24 million as at 31 March 2014. The refundable export tax has been duly received in April 2014.

Inventories

	31 March 2014	31 Dec 2013	% Change
	RMB '000	RMB '000	+/ (-)
Raw Materials	**39,026**	37,373	+4.42%
Work-in-progress	**5,617**	8,148	-31.1%
Finished goods	**20,280**	21,243	-4.53%
Sub-total	**64,923**	66,764	-2.76%
Less: Write-down of finished goods which were considered obsolete.	**(8,069)**	(8,069)	-
Total	**56,854**	58,695	-3.1%

Inventories as at 31 March 2014 were RMB56.9 million, representing a decrease of RMB1.84 million from RMB58.7 million as at 31 December 2013, mainly due to the decrease in work-in-progress which were consumed for production.

Non current assets

The Group's property, plant and equipment decreased marginally by RMB0.50 million or 1.0% to RMB49.17 million as at 31 March 2014 from RMB49.67 million as at 31 December 2013. This is mainly due to depreciation charge of RMB1.54 million offset by additional capital expenditure of RMB1.03 million.

Current liabilities

As at 31 March 2014, current liabilities amounted to RMB353.08 million, a decrease of 6.53% or RMB24.68 million compared to RMB377.76 million as at 31 December 2013. This was mainly due to the decrease in trade and other payables and borrowings of RMB11.54 million and RMB11.32 million respectively.

Shareholder's equity

Total shareholders' equity as at 31 March 2014 amounted to approximately RMB35.87 million, mainly comprised share capital of RMB104.77 million, restructuring reserve of RMB114.04 million and accumulated losses of RMB188.85 million. The decrease was mainly due to net loss of RMB6.25 million in 1Q14.

Movement of accumulated losses of the Group is as follows:

In RMB ' 000	31 March 2014	31 Dec 2013	% Change
			+/ (-)
Beginning of financial period	**(181,991)**	58,926	n.m.
Net loss	**(6,247)**	(240,917)	-97.4%
Total	**(188,238)**	(181,991)	+3.43%

Commentary on financial cash flow

Cash and bank balances decreased by RMB5.64 million to RMB48.02 million as at 31 March 2014 from RM54.10 million as at 31 December 2013. The decrease was mainly contributed from financing activities.

The Group generated RMB35.19 million from operating activities mainly due to improved working capital as management tighten its controls over trade receivables and advances to suppliers. In addition, the Group relied on bills payable to pay most of the suppliers thus reducing the outflows of cash and bank balances.

The Group's net cash used in investing activities of RMB1.03 million was mainly related to capital expenditures.

Net cash used in financing activities of RMB39.80 million which is mainly due to higher repayment of borrowings as compared to proceeds from borrowings which is offset by decrease in bank deposits pledged.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months

The Group continues to be vigilant on our costs control and cash flow management.

The outlook for China's textile industry remains uncertain as the country's share in gloabal trade continues to drop due to domestic factors and weak recovery from the international market. The effect of various domestic factors such as rising labour costs and intense price competition from lower-cost bases in Southeast Asia and Bangladesh continue to have a direct impact on our customers in contract manufacturing business and consequently, their demand for our products.

Against this bleak outlook, the Company entered into a Sale and Purchase Agreement dated 23April 2014 with G&W Investment Management Co., Ltd, for the disposal of its contract manufacturing business (the "Proposed Disposal"). The Proposed Disposal is intended to be effected by way of a scheme of arrangement (the "Scheme") to be undertaken by the Company pursuant to section 210 of the Companies Act (Chapter 50) and pursuant to the terms of an Implementation Agreement also dated 23 April 2014. Details of the Proposed Disposal and the Scheme can be found in the Company's announcement made on 23 April 2014.

Shareholders' approval is required for both the Proposed Disposal and the Scheme and a circular in relation thereto will be despatched to Shareholders in due course.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Group	Contract Manufacturing Business Segment*		Brands Solutions Business Segment		Total	
	1Q14 RMB'000	1Q13 RMB'000	**1Q14 RMB'000**	1Q13 RMB'000	**1Q14 RMB'000**	1Q13 RMB'000
Revenue	**83,680**	112,547	**9,208**	-	**92,888**	112,547
Gross profit	**3,603**	4,131	**876**	-	**4,479**	4,131
Other losses,net	**651**	(490)	**-**	-	**651**	(490)
Selling and distribution expenses	**(1,931)**	(2,160)	**(346)**	-	**(2,277)**	(2,160)
Administrative expenses	**(5,392)**	(8,632)	**(264)**	-	**(5,656)**	(8,632)
Finance expenses	**(2,565)**	(2,300)	**-**	-	**(2,565)**	(2,300)
(Loss)/profit before income tax	**(5,634)**	(9,451)	**266**	-	**(5,368)**	(9,451)
Income tax expense	**(879)**	(4,490)	**-**	-	**(879)**	(4,490)
Net (loss)/profit	**(6,513)**	(13,941)	**266**	-	**(6,247)**	(13,941)
Net (loss)/profit includes**:**						
-Depreciation of property, plant and equipment	**(1,530)**	(1,588)	**(8)**	-	**(1,538)**	(1,588)
-Amortisation of intangible assets	**(129)**	(145)	**-**	-	**(129)**	(145)
Segment assets	**328,508**	549,020	**59,445**	-	**388,953**	549,020
Segment assets includes:						
Additions to:						
-Property, plant and equipment	**1,031**	1,014	**-**	-	**1,031**	1,104
-Deposit for machinery and equipment	**-**	298	**-**	-	**-**	298
Segment Liabilities	**342,050**	285,191	**11,032**	-	**353,082**	285,191

* The contract manufacturing business segment includes the results of GRAT.UNIC.

14. Interested person transactions

The group does not have a general mandate from shareholders for interested person transactions. The aggregate value of interested person transactions for the period ended 31 March 2013 is as follows:

Name of interested person	Aggregate value of all interested person transaction during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Purchases from Quanzhou Honghao Colour Printing Co., Ltd., a company in which our Ex-Director Mr Weng Wenju owns 50% of the interest. Mr Weng Wenju is brother of Mr Weng Wenwei.	RMB 0.06 million	NA

Mr Weng Wenwei had, in connection with banking facilities granted by various banks to our Group, provided personal guarantees to secure such facilities. No fees were paid or are payable by our Group to Mr Weng Wenwei in connection with such guarantees.

15. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No general mandate has been obtained from shareholders for IPTs.

16. Statement Pursuant to Rule 705(5) of the Listing Manual

To the best of their knowledge and belief, nothing has come to the attention of the Board of Directors which may render the unaudited First Quarter Results of the Group for the financial period ended 31 March 2014 to be false or misleading in any material respect.

On behalf of the Board of Directors,

BY ORDER OF THE BOARD
Weng Wenwei (翁文伟)
Chief Executive Officer
9 May 2014